

There is no place in the world where a man has his measure taken more critically or where he more quickly finds his level than in this branch of the Congress of the United States. It is undoubtedly the most critical body, in sizing up its own membership, to be found in all the world, and justly so. For Members know that when sizing up one of their colleagues they must determine whether or not they can rely upon his judgment, his honesty, his integrity, and his ability in deciding whether or not to follow him on questions of great national interest, especially on those questions that rise above the scramble for party vantage or the noisy clamor of men for place and power.

CHESTER BOLTON and I did not agree on those fundamental issues that separate the two great political parties, he being a Republican and I a Democrat. But when it came to questions that transcended party lines and party policies there was no man in this House on whose judgment and integrity one could more safely rely.

From the standpoint of personality and deportment he was one of the most ideal legislators I have ever known. He never carried over from one day to another the bitterness of a conflict but came to the House every morning as fresh and as affable as if it were his first day.

He reminded me of the words of Walter Malone, the great Tennessee poet, in his verse on Opportunity, in which he said:

Weep not for precious chances passed away,
Wail not for golden ages on the wane;
Each night I burn the records of the day,
At sunrise every soul is born again.

Abler Members of the House and abler men throughout the country will pay their tributes to our departed friend in more eloquent and more appropriate terms. I merely wished to come in all humility and place a wild flower upon his bier.

If I were called upon to state my estimate of him in one sentence, my expression would be, "CHESTER BOLTON, a friend, a gentleman, a patriot, and an honest man—the noblest work of God."

Mr. JENKINS of Ohio. Mr. Speaker, I offer a resolution. The Clerk read as follows:

House Resolution 319

Resolved, That the House has heard with profound sorrow of the death of Hon. CHESTER C. BOLTON, a Representative from the State of Ohio.

Resolved, That a committee of six Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee Messrs. CROSSER, JENKINS of Ohio, SWEENEY, WADSWORTH, BENDER, and MARSHALL.

The Clerk will report the further resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 12 o'clock and 54 minutes p. m.) the House adjourned until tomorrow, Tuesday, October 31, 1939, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1110. Under clause 2 of rule XXIV a letter from the secretary, Reconstruction Finance Corporation, transmitting a report of the activities and expenditures of the Reconstruction Finance Corporation for the month of September (H. Doc. No. 494), was taken from the Speaker's table, referred to the Committee on Banking and Currency, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SABATH: Committee on Rules. House Resolution 320. Resolution requesting a conference on the disagreeing votes of the two Houses on House Joint Resolution 306; without amendment (Rept. No. 1473). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII,

Mr. COLLINS introduced a bill (H. R. 7609) to authorize the foregoing of the accumulated expense account on loan cotton still in the ownership of the original borrower; which was referred to the Committee on Agriculture.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5839. By Mr. JARRETT: Petition of Helmer E. Danielson and M. L. Boardman and other residents of Warren County, Pa., urging retention of present Neutrality Act; to the Committee on Foreign Affairs.

5840. By Mr. LEAVY: Resolution of the Washington Good Roads Association, adopted at the forty-first annual convention at Walla Walla, Wash., opposing the withdrawal of any lands in the State of Washington along the range of the Cascade Mountains for national-park purposes, and pointing out that such a withdrawal would be disruptive of the present State unity and would result in a great loss to the State of Washington and to the Nation in the orderly development of the natural resources of the State of Washington; to the Committee on the Public Lands.

5841. By Mr. SCHIFFLER: Petition of Virginia L. Remke, conference secretary, first district of the American Legion Auxiliary, Wheeling, W. Va., urging that the United States remain neutral in the present world crisis; to the Committee on Foreign Affairs.

5842. Also, petition of Joseph F. Becke, adjutant, Wheeling Post No. 1, the American Legion, Wheeling, W. Va., urging the continuation of the Dies Committee on Un-American Activities; to the Committee on Appropriations.

5843. By the SPEAKER: Petition of Ralph Williams, of Brooklyn, N. Y., petitioning consideration of their resolution with reference to neutrality laws; to the Committee on Foreign Affairs.

5844. Also, petition of J. Staiger, New York City, petitioning consideration of their resolution with reference to the Neutrality Act; to the Committee on Foreign Affairs.

5845. Also, petition of Rev. Joseph L. Gingrich, Second Brethren Church of Long Beach, Calif., petitioning consideration of their resolution with reference to the neutrality law; to the Committee on Foreign Affairs.

5846. Also, petition of the Church of Christ, Gulfport, Fla., petitioning consideration of their resolution with reference to the protection of conscientious objectors; to the Committee on Military Affairs.

5847. Also, petition of Lorenzo Muccio, of Bronx, N. Y., petitioning consideration of their resolution with reference to neutrality laws; to the Committee on Foreign Affairs.

SENATE

TUESDAY, OCTOBER 31, 1939

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

O God, who art ever present in that hidden life which we all live, in our unspoken thoughts, in the feelings that come and go yet leave no trace, in the great conflicts of the soul in which we are sometimes conquerors and are sometimes worsted, to our secret shame: Help us to realize that each moment of life is momentous because Thou art in it, for, interfused with Thee, are we not led even when we seem to drift; taught, when we think not of learning; and crowned, when we strive worthily, whether we win or no? We pray,

then, for grace to follow Thy word in us with ready and willing minds; make us thankful for whatever loveliness the days reveal and for the swiftly flying hours of leisure in which we are renewed and fitted for the slow, long hours of work. Do Thou bless the Members of the Congress in these days of honest striving to fulfill the highest aims and aspirations of true men, and grant that, by their endeavors, peace and happiness, truth and justice, religion and piety may be established among us for all generations. We ask it in the name of Jesus Christ, our most blessed Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, October 27, 1939, was dispensed with, and the Journal was approved.

ORDER FOR ADJOURNMENT TO THURSDAY

Mr. BARKLEY. I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until Thursday next.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. Chester C. Bolton, late a Representative from the State of Ohio, and transmitted the resolutions of the House thereon.

The message announced that, pursuant to the above-mentioned resolutions, the Speaker had appointed Mr. CROSSER, Mr. JENKINS of Ohio, Mr. SWEENEY, Mr. WADSWORTH, Mr. BENDER, and Mr. MARSHALL members of the committee on the part of the House of Representatives to attend the funeral of the deceased Representative.

PETITIONS

The VICE PRESIDENT laid before the Senate a resolution adopted by a recent executive meeting of the American War Mothers at Nashville, Tenn., relative to the neutrality and peace of the United States, endorsing the investigations made by the so-called Dies Committee to Investigate Un-American Activities, favoring the immediate increase of the armed forces of the United States to war strength for national defense, and urging that prompt steps be taken to provide and conserve sufficient raw and manufactured materials to supply arms, ammunition, and sustenance adequate for a million men for at least a year, which was ordered to lie on the table.

Mr. HOLT presented a resolution of the Junior Board of Trade of Berkeley County, W. Va., endorsing a telegram of September 20, 1939, from Perry Pipkin, president of the United States Junior Chamber of Commerce, to the President of the United States relative to the neutrality and peace of the United States and keeping the Nation out of the war in Europe, which was ordered to lie on the table.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NORRIS:

S. 2996. A bill granting a pension to Affie W. McCandless; to the Committee on Pensions.

By Mr. HAYDEN:

S. 2997. A bill for the relief of the Greenlee County Board of Supervisors; to the Committee on Claims.

(Mr. MEAD introduced Senate bill 2998, which was referred to the Committee on Banking and Currency and appears under a separate heading.)

By Mr. ELLENDER:

S. 2999. A bill to legalize a bridge across Bayou Lafourche at Galiano, La.; to the Committee on Commerce.

LOANS TO SMALL INDUSTRY

Mr. MEAD. Mr. President, I introduce a bill for proper reference.

The VICE PRESIDENT. The bill of the Senator from New York will be received and appropriately referred.

The bill (S. 2998) to establish a permanent industrial loan corporation to assist financing institutions in making credit available to commercial and industrial enterprises, was read twice by its title and referred to the Committee on Banking and Currency.

Mr. MEAD. Mr. President, in connection with the bill just introduced by me, proposing to set up an agency within the Federal Reserve System and to clothe it with power and authority to make loans to small industry, I wish to say that in the last fortnight the Chairman of the Securities Exchange Commission and one of the members of the Federal Reserve Board in public statements explained the great need of an agency of this character. Day by day small industry all over the United States is being strangled because of the lack of credit facilities. Small industry is now the victim of a system that makes it compulsory for it to pay exorbitant interest rates. It has been ascertained, I believe, so far in the testimony adduced by the so-called Monopoly Committee that the need for credit facilities for small enterprise is becoming widespread. For that reason I am introducing the bill, and I trust it will have the attention of the Senate and of the Banking and Currency Committee at a later date.

ELA H. ATKINSON

Mr. McNARY (for Mr. AUSTIN) submitted the following resolution (S. Res. 193), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Ela H. Atkinson, widow of John P. Atkinson, late an assistant clerk in the office of Senator AUSTIN, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PEACE ASSURED THROUGH SENATE NEUTRALITY RESOLUTION—ADDRESS BY SENATOR PITTMAN

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a radio address on pending neutrality legislation delivered by Senator PITTMAN on October 30, 1939, which appears in the Appendix.]

STATEMENT BY SENATOR GLASS ON NEUTRALITY JOINT RESOLUTION

[Mr. KING asked and obtained leave to have printed in the RECORD a statement by Senator GLASS on the neutrality joint resolution passed by the Senate on October 27, which appears in the Appendix.]

MORAL REARMAMENT BROADCAST

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD the proceedings of a world-wide broadcast in behalf of moral rearmament, which appear in the Appendix.]

ADDRESS BY SECRETARY OF WAR TO NATIONAL GUARD ASSOCIATION AND COMMENTS THEREON BY ERNEST K. LINDLEY

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address delivered by Hon. Harry H. Woodring, Secretary of War, on the occasion of the annual dinner of the National Guard Association of the United States at Baltimore, Md., on October 27, 1939, and also comments on the address of the Secretary of War by Ernest K. Lindley, which appear in the Appendix.]

LETTER BY FORMER SENATOR WATSON ON REPEAL OF ARMS EMBARGO

[Mr. MINTON asked and obtained leave to have printed in the RECORD a letter on the repeal of the arms embargo, written by Hon. James E. Watson, former Senator from Indiana, and published in the Washington Evening Star of October 30, 1939, which appears in the Appendix.]

THE LATE CARDINAL MUNDELEIN

[Mr. MEAD asked and obtained leave to have printed in the RECORD a statement prepared by him and other tributes to the memory of the late Cardinal Mundelein, which appear in the Appendix.]

PLEA FOR CHRISTIANITY AND AMERICANISM—ADDRESS BY MOST
REV. F. J. BECKMAN

[Mr. McCARRAN asked and obtained leave to have printed in the RECORD a radio address entitled "A Plea for Christianity and Americanism," delivered by Most Rev. F. J. Beckman, archbishop of Dubuque, on October 29, 1939, which appears in the Appendix.]

PLEA TO UPHOLD THE PRESIDENT—LETTER BY REV. MARK A.
MATTHEWS

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD a letter addressed by Rev. Mark A. Matthews, pastor, First Presbyterian Church, of Seattle, Wash., to the editor of the Spokesman-Review, of Spokane, Wash., which appears in the Appendix.]

ATTITUDE OF FLINT GLASS WORKERS ON RECIPROCAL-TRADE
AGREEMENTS

[Mr. HOLT asked and obtained leave to have printed in the RECORD a letter relative to reciprocal-trade agreements, filed on September 26, 1939, by M. J. Gillooly, president of the Flint Glass Workers' Union, with the Committee for Reciprocity Information of the United States Tariff Commission, which appears in the Appendix.]

ARTICLE ON PROPAGANDA FOR WAR

[Mr. HOLT asked and obtained leave to have printed in the RECORD an article prepared by him on propaganda for war, which appears in the Appendix.]

SAVING DEMOCRACY

[Mr. HOLT asked and obtained leave to have printed in the RECORD a letter written by him on saving democracy, which appears in the Appendix.]

PEACE PROPOSALS OF POPE PIUS XII AND PRESIDENT ROOSEVELT

[Mr. MEAD asked and obtained leave to have printed in the RECORD a news release commenting on an editorial in L'Osservatore Romano as to the similarity between the peace proposals of Pope Pius XII and those of President Roosevelt, which appears in the Appendix.]

ADDRESS BY MARTIN CARABALLO BEFORE FOREIGN TRADE COMMITTEE,
TAMPA CHAMBER OF COMMERCE

[Mr. ANDREWS asked and obtained leave to have printed in the RECORD an address delivered by Martin Caraballo before the Foreign Trade Committee of the Tampa Chamber of Commerce, the Pan American League, and the League for Inter-American Relations, on September 12, 1939, which appears in the Appendix.]

NATIONAL NONPARTISAN COMMITTEE FOR PEACE THROUGH REVISION
OF THE NEUTRALITY LAW

[Mr. BYRNES asked and obtained leave to have printed in the RECORD a telegram signed by William Allen White, inviting participation in the National Nonpartisan Committee for Peace Through Revision of the Neutrality Law, and a list of members of that organization, which appear in the Appendix.]

ADDRESS BY M. W. THATCHER TO FARMERS' UNION CONVENTION,
GLASGOW, MONT.

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an address delivered by M. W. Thatcher, general manager of the Farmers' Union Grain Terminal Association and president of the National Federation of Grain Cooperatives, at the convention of the Farmers' Union of Montana, held at Glasgow, Mont., on October 20, 1939, which appears in the Appendix.]

MR. BROWN AND COMMUNISM

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article by Mr. Heywood Brown relative to charges of communism against him, which appears in the Appendix.]

EXCISE TAXES AND RECIPROCAL-TRADE AGREEMENTS

Mr. VANDENBERG. Mr. President, I ask the indulgence of the Senate to permit me to make a brief statement for just 2 or 3 minutes regarding a matter of some contemporary importance to several sections of the country.

The State Department has given notice of its intention to negotiate a reciprocal-trade agreement with Chile, and included in the list of commodities which may be involved in import concessions is copper. Copper is protected at the present time by an excise tax of 4 cents a pound. I raise the question this morning—and respectfully draw it to the attention of the State Department—that there is nothing in the reciprocal trade treaty law, as interpreted by its own sponsors at the time of its passage, which permits the President and the State Department to reach into the excise taxes of the country and reduce them by Executive order through a trade agreement. I respectfully suggest to the State Department that it has no authority in law to touch the existing excise taxes on copper, coal, oil, and lumber; and that, therefore, it has no legal right to consider concessions on copper in connection with the pending Chilean trade agreement. I do not now argue the merits of this existing protection for domestic copper, although every possible consideration argues for more, rather than less, protection, if we are to pay the slightest attention to the difference in cost of production at home and abroad. But that is another matter. I respectfully submit this morning as a fundamental proposition that the State Department will exceed its lawful authority and repudiate the express purpose of Congress if it attempts jurisdiction over the copper excise tax by way of any reduction in the tax on copper imports.

When the trade-agreements program was originally presented in May 1934 and the distinguished chairman of the Senate Finance Committee [Mr. HARRISON] was making his original presentation of the bill, at page 8988 of the CONGRESSIONAL RECORD for May 17, 1934, the only authority then claimed over excise taxes was an authority to agree that they should not be increased. Specifically referring to the excise taxes upon oil, coal, copper, and lumber, the chairman of the Senate Finance Committee said:

Unless it were possible to provide in such trade agreements against the increase of excise taxes, the advantages derived through a lowering of customs duties * * * might be entirely lost through the imposition of excise duties, * * * so these agreements will provide for inhibitions upon such a policy.

The Senate was not satisfied with that statement. It did not want and it did not propose to have these excise taxes touched by the trade-agreements law. So the matter was pursued on the floor of the Senate until the chairman of the Finance Committee on June 4, 1934—page 10391 of the CONGRESSIONAL RECORD—himself offered an amendment specifically exempting excise taxes from the jurisdiction of the law. The able senior Senator from Arizona [Mr. ASHURST] immediately demanded that the amendment be withdrawn because he did not want anything in the law which might seem to prevent a subsequent increase in the excise tax upon imported copper. In other words, he did not want copper touched by the law at all. The chairman of the committee withdrew his amendment. It was immediately reoffered by the late Senator Long, of Louisiana, and was voted down entirely on the theory enunciated by the senior Senator from Arizona. The best proof of the reason for this vote is the fact that the junior Senator from Arizona [Mr. HAYDEN], who is one of the most tenacious friends of adequate protection for domestic copper, voted with his colleague.

But the intention of the Senate was made doubly clear by the statements in debate that day—June 4, 1934—by the distinguished Senator from Mississippi [Mr. HARRISON], the chairman of the Senate Finance Committee. I quote:

With reference to excise duties, * * * it was the intention of those who framed the legislation and of the House in passing the bill that they [excise taxes] would be frozen; in other words, they might not be modified.

Again:

The four items concerned were lumber, coal, oil, and copper. So to remove any doubt as to what the intention was, I have an amendment to offer which will clarify the matter; and if the amendment shall be adopted, it will freeze those four items. In other words, the duties cannot be increased and the duties cannot be lowered.

Again, the Senator from Mississippi [Mr. HARRISON] speaking:

All excise taxes are frozen in this bill.

That is, regardless of any clarifying amendment.

All excise taxes are frozen in this bill. We do not propose to disturb excise taxes at all.

Therefore, I submit for the RECORD—and I respectfully draw these considerations to the attention of the State Department—that the only authority over excise taxes which was ever even claimed for the reciprocal trade treaty law is an authority to agree that excise taxes shall not be increased. Personally, I deny that even this much authority over excise taxes was granted—or constitutionally could be granted—to the State Department. But I submit that nowhere in the RECORD is there any suggestion that Congress intended to permit the State Department to reduce excise taxes, and no such authority exists, in spite of the fact that they did get away with it in connection with the lumber excise taxes.

I do not know that the State Department intends to attempt to reduce the excise tax on imported copper. All I know—all that anybody can know about any of these trade-treaty negotiations—is that copper has been marked for possible concessions in the prospective Chilean agreement—concessions which, of course, would thereafter have to be generalized to the entire world. I am simply asking the State Department to consult the obvious congressional purpose, which would prohibit it from considering any reduction in the excise tax upon imported copper by way of concession.

Mr. HAYDEN. Mr. President, I have listened with interest to what the Senator from Michigan [Mr. VANDENBERG] has had to say with respect to the proposed Chilean trade agreement. I entirely concur in his view that at the time the reciprocal trade agreement law was passed it was not contemplated that there would be changes in anything other than the established tariffs—that is, tariffs enacted by Congress, in 1930, to run for an indefinite period of time. The excise tax on copper was first imposed for a year, then for 2 years, and then for 3 years; and it is now in operation for a 2-year period, which will expire a year from next June.

It seems to me obvious that to enter into a trade agreement with any country with respect to a duty that is not firmly fixed conflicts with the basic idea of the Reciprocal Trade Agreement Act.

As to the adverse effect upon the industry, there cannot be any question. Looking at it as a practical matter, the British have pegged the price of copper at what is equivalent to 9 cents per pound in our money. The present price of copper in the United States is 12 cents per pound. The excise tax is 4 cents per pound. To cut the excise tax in half would therefore mean 11-cent copper in the United States.

What is the effect upon the laboring man? For more than 30 years in Arizona the scale of wages in the copper camps has depended upon the price of copper. The price of copper for the previous period fixes the wage scale for the following period. The average price of copper was 12 cents per pound during the month of September, which resulted in a 5-per-cent increase in wages for over 10,000 miners in Arizona. The basic wage scale for copper miners in Arizona beginning in October is \$5.78 for an 8-hour day. To cut the price from 12 to 11 cents, I am told, would effect a reduction of 50 cents per day in the wages of each miner. But, much worse than that, there would be fewer miners receiving any wages at all. That is a very serious matter to be considered at a time when the copper industry is just beginning to recover from a long depression.

Five years ago less than 2,000 men were employed in the copper mines in my State, and it was in the copper camps that the relief problem was greatest. Today the mines are beginning to come back and we are concerned only with the American market for copper. As business increases and as prosperity returns to this country new uses for copper are being developed and a more stable domestic market is being created.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Let me say to the Senator from Arizona that the conditions in Arizona, of which he speaks, are exactly the conditions which exist in southwestern New Mexico, where a large copper mining industry is centered. For a while, because of the low price of copper, the industry was in such a depressed condition that we had ghost camps, and the miners had no work. Now they have commenced work again. I agree with everything the Senator has said.

Mr. HAYDEN. The same condition exists in Nevada, in Utah, in Montana, in Michigan, and in every other copper-producing area in the United States. The effect of the present import duty on copper has not been to create a monopoly in this country; it has not been unduly to burden the American consumer, because the American price has been governed almost entirely by the world price.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield to the Senator from Michigan.

Mr. VANDENBERG. I should like to be sure the Senator concurs in the fundamental proposition I laid down, and I desire to ask him a categorical question. Is it not a fact that at the time the reciprocal trade treaty law was passed every effort was made on the floor of the Senate to make it clear and plain that the excise taxes on copper, coal, lumber, and oil were beyond the jurisdiction of the trade-treaty negotiators?

Mr. HAYDEN. That effort was very definitely made at the time the Reciprocal Trade Agreement Act was under consideration. As a practical matter, it does not make sense to me to say that Congress would intentionally pass an act permitting tariff duties to be raised and lowered and have in mind anything other than an established tariff. If Congress does not act, the excise tax automatically expires, and then what have we? We have nothing to negotiate about. If, by the enactment of the reciprocal trade agreement law, the State Department had power to freeze the excise tax on copper at 2 cents without further action by Congress, I should say then there would be some logic to the proposed negotiations; but when the fact is that if nothing is done the tax automatically expires, it clearly indicates to me not only that Congress never contemplated that the Reciprocal Trade Agreement Act should apply to excise taxes of this character, but in addition it would seem that any negotiations with Chile must rest on an unsound and insubstantial basis.

Mr. McNARY. Mr. President, I desire to comment briefly on the observations made by the able Senator from Michigan [Mr. VANDENBERG]. I am wholly in accord with his views, and I am happy he has made this statement today with the concurrence of the Senator from Arizona [Mr. HAYDEN].

I very definitely and graphically recall what occurred in the Senate at the time of the enactment of the Trade Agreement Act in 1934, and particularly with reference to the excise taxes imposed on the four commodities mentioned by the Senator from Michigan, because I was greatly interested in the excise tax or duty on lumber, and we had to work desperately to get that measure through. Subsequently the State Department, under the reciprocal-trade agreement, took a dollar per thousand off the excise tax on lumber. I vehemently protested. I thought it was an outrage, and I still think it was ruthless conduct upon the part of the State Department. It was the intention of Congress, as stated by the able Senator from Michigan and by those participating in the debate, that they should not be touched by treaty agreement but that they could be modified only by increases or decreases in the rates by the Congress, which alone had jurisdiction. But, in the face of that situation and despite my complaint, the State Department lowered the excise duty on lumber in the trade agreement with Canada. It was not fair. It was not conformable with the understanding we had on the floor of the Senate. I particularly recall speaking on the subject to the able Senator from Mississippi [Mr. HARRISON], then and now chairman of the Finance Committee, who stated that under no agreements with foreign nations would there be any attempt to touch or modify in any way these duties.

I hope what was done in the case of lumber will not be done with regard to copper. If it is done, I will join my

friends in further protest, though my original protest seems to have been exceedingly ineffective and I accomplished nothing; but I am willing to go forward in any effort to maintain the integrity of the excise duties. It is my opinion, from the experience we have had, that when the Trade Agreement Act expires on the 12th day of June 1940 there will not be a majority of this body further to continue its operation.

Mr. KING. Mr. President, for many years the tariff was one of the important political issues which divided the two great political parties. There were few if any persons who advocated free trade, and in both political parties there were advocates of duties upon many imports. The question of import duties was rather one of degree. One political party supported policies which called for higher import duties than did the other party, but more and more the importance of the tariff issue diminished until it was not and is not, in my opinion, an issue between the political parties.

There has been a general feeling for years that domestic industries should receive consideration and have adequate protection. Under the policies which have been pursued the United States has become one of the greatest manufacturing nations of the world. In every branch of industry it has made great progress and achieved a reasonable degree of success. However, the American people have not lost sight of the fact that they are a part of the world, and that trade and commerce among nations contributes to economic development and to material as well as moral and spiritual progress.

Efforts to build complete tariff walls have not met with success, and, as I have indicated, more and more there has been a feeling that the welfare of the American people as well as the people in other lands would be promoted if opportunities for intercourse among them were facilitated. It is obvious, however, that standards prevailing in some countries—standards relating to the cost of production, wages, and so forth, not only warranted but required that the United States adopt policies that would afford a reasonable protection to American producers in all fields of trade and industry. In other words, while the American people desired to have trade relations with other countries, they believed it not only proper but necessary to adopt such measures as would afford adequate protection to American industry. I might add that as a member of the Senate Committee on Finance, I have opposed excessive tariff duties or policies that would make for monopolistic control in the various fields of industry.

In 1932 the mining industry in the United States was in a deplorable condition. The prices of metals were so low that many mining properties were unable to operate and mills and smelters were forced into inactivity. This resulted in thousands, and indeed hundreds of thousands of persons being thrown out of employment. And let it be known that when mines and mills and smelters shut down there are far-reaching repercussions affecting many industries and thousands and indeed millions of individuals.

In 1932, as I recall, an import duty was imposed upon copper of 4 cents a pound. At that time the copper industry was prostrate, and this deplorable condition affected injuriously many industries. Senators are aware of the fact that in many mines there are various minerals, and a fall in the price of one mineral or metal may and often will seriously affect the production of a mine. A decline in the price of copper in a mine which produces one or more other metals may result in the suspension of the operations of the mine.

Nature has bestowed in a lavish manner many gifts upon many parts of the United States. The intermountain region has been denied many of the benefits and advantages enjoyed by other parts of the United States, and it must depend largely upon its mineral deposits. It is no easy task to uncover and mine these deposits hidden in giant mountains and to reduce the ores and obtain the refined metals. The cost of mining is very great. Railroads must be constructed to haul the ores, and mills and smelters must be built to reduce the ores. Millions of dollars are often expended in the development of a single mining property before ores have been obtained or any returns made avail-

able. As a matter of fact, the mining industry records the loss of millions, if not hundreds of millions, of dollars in fruitless efforts to find minerals and to successfully treat the same. In a sense, mining is a precarious business, and yet it has proven an important factor in the development of our country. It has furnished millions of tons of freight for our railroads, and employment for hundreds of thousands of individuals. The mining industry has built scores, if not hundreds, of towns and communities and furnished employment not only to those directly employed in mines and mills and smelters and railroads, but hundreds of thousands, if not millions, engaged in agriculture, manufacturing, and other important industries. In many of the mining States a very large part of the population is dependent directly and indirectly upon the operation of the mines, mills, and smelters. In my own State the mining industry directly and indirectly furnishes employment to a considerable part of the population of the State. If the mining industry were destroyed in the West, the results would not only be serious but indeed catastrophic. Therefore the people in the mining States are profoundly interested in the development and expansion of the mining industry, knowing as they do, that such development inures not only to their benefit but to the benefit of the entire country.

Because of the serious condition of the mining industry in 1932, Congress enacted the so-called import tax or tariff of 4 cents per pound upon copper. I was a member of the Committee on Finance and voted for the measure, believing that it was important not only for the industry of my State and other States but for the people generally. I think that the wisdom of the enactment of this act has been demonstrated, and I am not in favor of any policy which would reduce this duty or strike at the mining industry. I am repeating when I say that the mining industry is indispensable to the life and prosperity of the West, if not to many other parts of our country. Any policy that would injure the mining industry or strike it down would have serious repercussions in all parts of the United States.

While I have indicated that we are a part of the world and that our development is influenced by trade and commerce with other nations, I would not favor measures that would militate against domestic industries and prove disadvantageous to the American people.

On the 2d of March 1934, the President submitted a message to Congress requesting authority for the Executive to enter into commercial agreements with foreign nations, "within carefully guarded limits, to modify existing duties and import restrictions in such a way as will benefit American agriculture and industry."

Undoubtedly, the President believed that the policy recommended by him would increase the markets for our surplus commodities and benefit American agriculture and industry.

Following the message of the President, Congress passed a law, approved June 12, 1934, which amended the Tariff Act of 1930. It was entitled "An act for the promotion of foreign trade." It further declared that it was for the purpose of expanding foreign markets for the products of the United States. It authorized agreements to be entered into with foreign governments or instrumentalities in order to carry out the letter and spirit of the act.

It authorized modifications of existing duties and of existing customs or excise treatment of any article covered by foreign trade agreements and also authorized the President under certain conditions to proclaim such modifications or such additional import restrictions as were required or appropriate to carry out any foreign trade agreement that the President might enter into.

However, no proclamation was authorized to be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and free list.

I shall not further examine the provisions of the act referred to. My recollection is that the act will expire in June 1940.

Under this act reciprocal-trade agreements have been negotiated between the United States and other governments,

I shall not attempt to appraise the results of these agreements. It is believed by many that they have been of advantage to the American people. There are some who are critical of these agreements and deny that they have been of any advantage.

May I say that I voted reluctantly for the so-called reciprocal trade agreement measure. I was not entirely satisfied that it would or could escape the charge of being unconstitutional. Those who believed it to be constitutional contended that the Federal Government had the right to enter into reciprocal-trade agreements under its general authority and under the interstate commerce provision of the Constitution. Others insisted that these agreements were to be placed in the same category as treaties, and therefore were subject to approval by the Senate.

However, largely because of the distressed and tragic condition of our economic life at that time and the belief by the President that the proposed plan would aid agriculture and industry generally and of my confidence in Secretary of State Cordell Hull, and of his broad statesmanship and patriotic devotion to our country, I voted for the measure.

I have desired to support the administration in its dealings with foreign nations. The President stated one of the objects of the reciprocal-trade agreement was to increase our trade and commerce and to find wider markets for agricultural commodities, particularly cotton, tobacco, hog products, rice, cereals, fruit, and so forth.

The President indicated that a resumption of international trade would improve the general situation of other countries and increase the purchasing power which would prove of benefit to Americans who had commodities for export. Undoubtedly the views of the President were entitled to serious weight and consideration. Obviously any measure that would widen American markets would have a tendency to improve our domestic economy. I fear, however, that by reason of a combination of circumstances and conditions which could not have been foreseen, some of the benefits anticipated from these reciprocal-trade agreements have not been realized.

I think undoubtedly there have been some benefits resulting from the policies embodied in the agreements; but as I have indicated there is some question as to whether the advantages have been commensurate with the disadvantages which followed.

Undoubtedly trade and commerce among nations are not only important but vital. National isolation is not to be desired and the United States with its enormous resources is in a position to supply many countries with many of the commodities of which we have a surplus.

Other countries produce commodities which are required in our economy. However, wisdom must be exercised in the interchange of commodities and no agreement should be entered into which will result in injury to American industry. It would be unfortunate if there were grounds for belief that the American people suffered by reason of reciprocal agreements, and it would certainly be more than unfortunate if there were ground for such belief.

I hope that Dr. Grady, a man of great ability and of wide knowledge of economics, will so interpret and administer the act that it will work no evil, but rather promote the welfare of the American people. I hope that in the negotiations with the Chilean Government, particularly as they relate to copper, no agreement will be entered into which will modify or change the import duty upon copper. In negotiating reciprocal agreements many factors must be considered and there must be caution and prudence, and, if I may say so, a high degree of statesmanship, to the end that the interests of the American people shall not only not be injured but, indeed, shall be benefited. Reciprocal-trade agreements should be reciprocal—that is to say, benefits must not be entirely beneficial to the countries with which we deal; they must also be in the interest of the American people. The American producers—the American manufacturers and the American miners—must be fully protected. Personally I desire to see the most cordial relations between the United States and other countries, and those policies and measures adopted that will promote not only the material welfare of the people in this and other coun-

tries but result in strengthening the bonds of amity and goodwill.

However, if the act in question is harmful to the American people, it should be repealed. It is true that it will expire in the near future, but it should not be employed to the disadvantage of our country.

I have stated upon a number of occasions to officials, as well as to others, that it had been injurious to the mining industry in a number of particulars. There has been a large increase in the importation of zinc and lead and this has proven disadvantageous to this great industry. I have indicated to officials that if in negotiating a reciprocal-trade agreement with Chile the import duty upon copper is reduced, there will be increased demands for the repeal of the act of 1934.

Mr. BORAH. Mr. President, in connection with the question of reciprocal-trade agreements I observe in the newspapers that a plan is proposed by which the constitutionality of the reciprocal-trade agreements is to be tested in the courts. I read in the newspapers that the State Department is agreeable to having the constitutionality of the act tested.

I think it is exceedingly important, and it is the method by which we should approach this entire subject. If the State Department is friendly to a contest, and the contest may be had, then we have secured all we can ask of the State Department in that respect.

I wish to say that in framing the issue which is to be determined by the Court there will be found some difficulty, in my judgment, lest it be so framed that it will present a political question and not a legal question. Those who are interested in the reciprocal-trade agreements should be interested in having a part, if practicable, and I think it would be, in framing the issues which are to be determined by the Court. I understand this question is to come up from Rhode Island, and I have no doubt that the State Department and those representing the other side will frame the matter in entire good faith, and I am not intimating otherwise. I suggest, however, that there will be some difficulty in bringing the Court to a place where it will pass upon the question as a legal proposition instead of having the decision turn on a political question.

Mr. CONNALLY. Mr. President, will the Senator from Idaho yield?

With regard to the suggestion of the Senator that the Court might hold it a political question and not decide it, I call his attention to the fact that there have been a number of decisions under the flexible Tariff Act, which is very much like the Reciprocal Trade Agreements Act, in which the Court did entertain the cases, and did pass on them.

Mr. BORAH. Those issues were properly presented, but I can well imagine, as I know the Senator can, a presentation of this matter which would not raise the clear issue.

Mr. CONNALLY. That is true.

Mr. BORAH. That is what I have in mind. I think it is exceedingly important that the proper issue should be raised.

Mr. O'MAHONEY. Mr. President, will the Senator from Idaho yield?

Mr. BORAH. I yield.

Mr. O'MAHONEY. Does the Senator know whether or not, in the proposed test in the Court of the constitutionality of the reciprocal-trade agreements, it will be at all possible to bring among the issues the present program of the integration of the nations of the Western Hemisphere by reason of trade agreements, or would that issue have to depend solely on what has transpired in the past?

Mr. BORAH. I suppose it would have to depend upon what has transpired in the past.

Mr. CONNALLY. Mr. President, if the Senator will yield there, the difficulty is that we have treaties with nations containing the most-favored-nation clause, so that we cannot give preferential treatment to South American countries without giving it to other countries which have treaties containing that clause.

Mr. O'MAHONEY. I understand; but that could be taken care of by means of quotas. It was done in connection with the Canadian reciprocity trade agreement, when protest was made on the part of the cattle industry against the admission

of cattle from all over the world by reason of the most-favored-nation clause, so that a quota was necessary. But once a quota is imposed, it applies to all nations with which we have treaties containing the most-favored-nation clause.

Mr. CONNALLY. A trade agreement was made with Canada, but it was held to apply to Mexico, for instance, because of the most-favored-nation clause, and we encounter that situation whenever reciprocal-trade agreements are made.

Mr. BORAH. Mr. President, it has seemed to me from the beginning that these agreements were treaties in every sense, and that question should be presented in any case that goes up to the Court for consideration.

Mr. O'MAHONEY. Is the Senator of the opinion that that can be effectively presented in any forum except the Senate of the United States?

Mr. BORAH. It would not seem so to me, but trade agreements were not regarded as treaties by the Senate of the United States. It certainly would not have passed such an act as the Reciprocal Trade Agreement Act if it had regarded them as treaties.

Mr. O'MAHONEY. There is pending before the Committee on Finance a resolution, which I had the honor to present at the last regular session, which declares it to be the sense of the Senate that reciprocal-trade agreements are in fact treaties and cannot be made effective without ratification by the Senate. It seems to me that this argument becomes almost obvious when one considers the fact that the reciprocal-trade negotiations which are now proceeding with certain nations in South America are primarily political in their aspect, and not commercial at all. It is proposed, for example, to reduce the tariffs on a great many agricultural products from Argentina and from Uruguay in order to bring about a closer political alliance with those nations. It seems to me altogether clear that in such circumstances there can be no validity to those agreements until they are acted upon by the Senate in the guise of a ratification of treaties.

I should like to have printed in the RECORD at this point the Senate Resolution 69, which is pending before the Foreign Relations Committee and to which I have referred.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Senate Resolution 69

Resolved, That it is the sense of the Senate that foreign-trade agreements entered into under the act entitled "An act to amend the Tariff Act of 1930," approved June 12, 1934, are treaties which under the Constitution can be made only by and with the advice and consent of the Senate; and, there being nothing in such act which provides that such agreements should not be ratified by the Senate as other treaties are ratified, it is the sense of the Senate that such agreements should be made effective only if the Senate has advised and consented to their ratification.

Mr. BORAH. Mr. President, it seems to me that the reciprocal-trade agreement with Great Britain, for instance, in every sense is a treaty, and that question is the one which ought to be presented when the matter goes to the court. Senators rise here and say that they have protested against this and that going into the reciprocal-trade agreements. The question is not whether we protested, but whether we approved or disapproved of them. That is what the Constitution expects of us—either to approve or disapprove of the agreements. That is the question which ought to be presented so that there will be no mistake when it comes before the Court to be settled.

For myself I believe the proper way to handle this question is to present it to the Court, and if the Secretary of State is willing to have it presented, I certainly congratulate him, and thank him for the opportunity to have our rights presented to the Court, for without his cooperation it will be difficult to get the matter properly before the Court.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. VANDENBERG. If there is any doubt about the constitutionality of the delegation of our tariff-making powers—and certainly there is a doubt—is there not infinitely more

doubt surrounding the question which I have submitted today, namely, the delegation of our internal taxing power to the State Department? In other words, when the State Department now seeks to extend its authority under the Reciprocal Trade Agreements Act, and reach even into the excise-tax structure of the country, is not the question of the constitutional validity of the action even more challenging?

Mr. BORAH. Mr. President, as I see the constitutionality of the procedure, the same question is presented in all these agreements that is presented by the matter referred to by the Senator from Michigan, for the reason that it all goes back to the question of where revenue agreements or revenue legislation must originate. They do not originate in the Senate of the United States. They originate in the House of Representatives. Not only is there a question involved as to the right of the Senate to ratify treaties, but there is the larger question, in my judgment, of where revenue legislation shall originate, whether it is with respect to one article or another. In my mind those two propositions are the controlling ones which should be passed upon by the Court.

I am aware that the Court passed upon this matter in some respects in what is called the flexible-tariff law, that is they passed upon some phases of it, but the question of where the legislation must originate, and the question whether a trade agreement is a treaty, and whether the Senate shall ratify it as a treaty, are the two propositions which are fundamental. One of them is peculiarly applicable in the argument which was presented by the able Senator from Michigan. But back of it all lies the question of where this legislation must originate.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair). Does the Senator from Idaho yield to the Senator from Kentucky?

Mr. BORAH. I yield the floor.

Mr. BARKLEY. I do not wish to discuss the copper situation, but I wish to make an observation with regard to the certain legal aspects surrounding these treaties. There are three elements, it seems to me, that have to be considered in connection with the legality of the whole program. One is the constitutional provision that measures raising revenue shall originate in the House. Another is that Congress has the power under the Constitution to regulate commerce among the States and with foreign nations. It has always been my belief that the same authority, the same extent of authority, exists with respect to regulating commerce with foreign nations that exists with respect to regulating commerce among the States, because the same language is used in both instances, the scope is alike, and the character of regulation is the same. For that reason I believe that we have as much right under the Constitution to create an agency or designate an agency to carry out the will of Congress with respect to our commerce with other nations, as we have to set up an agency to carry out the will of Congress with respect to the regulation of our internal commerce among the States. We undoubtedly have that authority, as it has been construed and upheld by the Supreme Court. We set up the Interstate Commerce Commission as an agent of Congress to regulate interstate commerce. We set up the Federal Trade Commission. We set up the Tariff Commission. The mere reduction of a tariff under a congressional mandate, in my judgment, is not a raising of revenue, which requires that action shall originate in the House of Representatives.

Of course, I would not be facetious with respect to the difference between raising revenues and lowering them. The power to raise taxes to raise revenues was placed in the House of Representatives, because the Members of that body were most frequently compelled to go before the people on their records. From the constitutional standpoint, I believe, there is grave doubt whether this sort of a program is a raising of revenue such as is contemplated in the Constitution.

Mr. BORAH. Mr. President, of course, it is a debatable question, but does not the Senator think it is a question which ought to be settled under the jurisdiction of the Court?

Mr. BARKLEY. Yes; I think it probably is, and will be debatable until some authoritative settlement is made. On the other hand, I think we have as much right to designate the Secretary of State, or the President, or any other existing agency of the Government to carry out a program of regulating commerce, as we have to create a new agency to do that thing. Had Congress wanted to do so, it could have created a new commission of some kind to negotiate agreements with foreign countries with respect to reciprocal arrangements and trade policies; but it did not see fit to do so. It said that the President should do it, of course, through the Secretary of State. The mere fact that there may be political repercussions by reason of some concession made in an agreement between the United States and some South American country does not constitute it as a political treaty, which, in the sense which has been used here, would require ratification by the Senate.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. PITTMAN. Of course, undoubtedly, as has been suggested, there are two questions involved. One of them is the question of revenue and the other is the question of the treaty. Our flexible-tariff law deals solely with our own people. It is a domestic law entirely. Under the agreement mentioned, the question not only arises as to whether we have delegated authority to raise revenue, but I think a more serious question involved is whether our agreement with a foreign government imposes such an obligation on our Government as to constitute a treaty under the treaty provisions of the Constitution. I voted against the extension of the Reciprocity Act because I believe it to be unconstitutional. I am of the opinion that such agreements are treaties and must be ratified by the Senate.

Mr. BARKLEY. While it is true that a tariff law deals with domestic legislation and deals with our own people, it indirectly deals with everybody who trades with us. It limits the right of any foreign producer to import into the United States.

Mr. PITTMAN. But we are under no obligation.

Mr. BARKLEY. I agree that we are under no obligation to do that. Yet there is nothing new in this matter. It has been done for nearly 150 years. One of the first acts of Congress back in the 1790's was to authorize a regulation of this sort, not on the ground that it was a tariff but that it was in conformance with the constitutional provision that Congress could regulate commerce with foreign nations, and knowing that it could not otherwise do so except by enacting a tariff law, which it took us 18 months to write the last time we tried to pass one. Congress could create agencies of its own, or designate agencies to carry out a program set up with sufficient clarity and definiteness so that the agency might know what its duties would be.

Mr. BORAH. Mr. President, undoubtedly the Congress can create agencies which will perform administrative acts, but when the point is reached when an agreement must be concluded between two nations, which agreement creates obligations, makes contracts, and so forth, I know of no instance in which the Supreme Court has ever maintained such an act as not violating the treaty clause of the Constitution, although Congress had set up an agency to perform certain administrative functions in connection with it.

Mr. BARKLEY. Is the reduction by the President of a tariff under the flexible-tariff law, which is limited to 50 percent reduction, merely administrative, or is that legislative?

Mr. BORAH. It is my view that it is legislative, and I took that position when the act was being considered. It was the view of a very large portion of the Senate that it was legislative. It was not quite a majority, because the Republicans very largely supported the administration. But nevertheless a very large portion of the Senate—I have forgotten what proportion—felt that it was legislative.

Mr. BARKLEY. The power to do that has been sustained by the courts.

Mr. BORAH. Yes; and I shall have something to say about that, too.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. VANDENBERG. Before the Senator from Kentucky takes his seat, may I ask him a question? Leaving the constitutional arguments for the moment and coming back to the question which I raised when I opened the discussion today and the imminent action that is pending in the State Department, I ask the Senator, does he not agree with the Senator from Arizona [Mr. HAYDEN], the Senator from Mississippi [Mr. HARRISON], the Senator from Oregon [Mr. McNARY], and myself that when we delegated the tariff-changing power under the Reciprocal Trade Treaty Act we did not contemplate that we were delegating any authority to reduce excise taxes?

Mr. BARKLEY. I do not know that we did. I should like to read the whole record on the subject before giving a categorical answer, but if what has been read constitutes the whole record, I should say very likely Congress did not have that in mind. It may not have expressed its wish, except in the opinion of those who engaged in the discussion.

Of course, that brings up also the question of whether or not the excise taxes are really a subterfuge for tariff taxation. At the time many persons felt that the excise tax was not, strictly speaking, a tariff, but, in effect, it is a tariff, because it is levied only in contemplation of imports, and it is levied for the purpose of keeping out imports. While it was levied and is levied under the guise of an excise tax, it, in fact, is a tariff, as the Senator himself knows. So there are technicalities on both sides of the problem.

Mr. VANDENBERG. Regardless of those metaphysics—

Mr. BARKLEY. I thank the Senator for his dignified appellation with respect to my animadversions.

Mr. VANDENBERG. I hope the word is more understandable than the Senator's observations at that particular point. I submit, as a matter of elementary good faith, that when the chairman of the Senate Finance Committee, in charge of the bill, undertaking authoritatively to speak in respect to it, asserted categorically, "We do not propose to disturb excise taxes at all," the Senate had a right to assume—and the assumption is sustained by the remainder of the debate—that we were not passing a law which permitted the State Department to interfere with excise taxes.

Mr. BARKLEY. Of course, I concede that if a legal question were being passed upon by the Court a statement of that sort from the chairman of the committee would have great weight with the Court in determining the intention of Congress at the time.

Mr. McCARRAN. Mr. President, before the Senate adjourns I desire to express my views with reference to the remarks of the able Senator from Michigan [Mr. VANDENBERG] with respect to the movement now on foot to interfere with the excise tax on copper.

In my judgment, there can be no question as to what was the intent of Congress when it enacted, and then reenacted or reaffirmed, the reciprocal-trade law. I believe the record answers the whole problem so emphatically that it should not be questioned even for a moment. We did not intend that the reciprocal-trade law should affect or have to do with excise taxes.

However, aside from that, Mr. President, it is most interesting to note the effect of the mere giving of notice that copper would be one of the commodities to be considered by the reciprocal trade committee. Such announcement, if I may express it mildly, has created consternation throughout all the Intermountain States where copper is produced. The reason is that some 3 or 4 years ago in my own State a high percentage of our mining labor was on the relief rolls. Today such labor is practically all off the relief rolls, because copper-producing properties throughout the State are employing up to their full capacity and producing up to their full capacity. The wages paid to those employed in that industry naturally allure, entice, and hold those who are capable of working in an industry of that kind.

The able Senator from Arizona [Mr. HAYDEN] mentioned the standard of wages in his State. Perhaps our standard of wages runs a trifle higher, running from \$5.50 to \$6.50 for

8 hours of work. The wages are fixed on a sliding scale, depending upon the price of copper in the open market for the previous month.

The interesting thing is that every time those in charge of the reciprocal-trade program have dealt with metals such as zinc, lead, copper, or manganese they have in each instance created throughout the Intermountain States a feeling of depression, for the toilers—and we are principally interested in the toilers because, after all, they are the taxpayers—have been advised that if this agreement, that agreement, or the other agreement goes forward the mine in which they are employed may be shut down.

So heartache and depression exist in these communities. Every child who goes to school from a miner's home goes with a heartache, because his father or his mother has told him that if the reciprocal-trade agreement should be effectuated the mine may be shut down; and when it shuts down there is less bread and butter and less sustenance of life for the miner and his family. Throughout the entire community of the intermountain region consternation prevails, and it is only natural that the thoughts of such treaties should sadden the hearts of those employed in the mining industry. They realize that the enormous resources of high-grade copper ore, together with Government subsidies and concessions and cheap peon and black labor, give the mines of foreign countries a very distinct cost-of-production advantage over the mines of America. Why cause the American laborer in the copper industry to compete with the slave laborer in the same industry abroad?

In America we try to maintain a wage structure. The toilers in this line of endeavor have through three-quarters of a century struggled to establish, and are now interested in maintaining, a wage structure in keeping with American standards of living and in keeping with the idea that the American mine worker with his family and dependents constitute a virile part of American industrial life and American national existence.

Not only is the mine worker himself, and his dependents, affected by any reduction in the wage scale, but this reduction, this depression, if you please, when it comes about affects the immediately surrounding community, and likewise communities and workers far remote. It affects employees in the oil fields of California and Texas, in the Oregonian forests, in the Colorado coal mines, in the national tool industry of far-flung Eastern States, in transportation lines throughout the country, and even into the factories where clothing and shoes are manufactured. In all these fields the workers feel the effects of a depression or reduction in the income of the toilers in the mines. Municipalities and States are directly affected by that which takes from the earnings of the miner and the income of the producer because, in copper-producing States those dependent to a large extent on the copper industry look to this industry for taxes. Thus mining communities and municipalities are sustained.

A reduction in the present ad valorem tax or a reduction in the tariff, if such action were to be brought about in the case of copper, would not only create consternation and anxiety in the hearts of the workers in the copper-producing industries, but likewise tend to destroy confidence in those who would make an honest investment in the development of copper mines. Why discourage the investor of America who seeks to develop the resources of this country? Mines that may be working on a close margin, but nevertheless sustaining the community by employing large numbers of workers, may find themselves closed down because the bankers are unwilling to put up additional capital for development purposes when they are threatened with a reduction in the price of copper due to an inflow of slave-produced copper from abroad. The mines of Rhodesia and far-off Africa worked by slave labor—and when I say slave labor I mean labor paid only slave wages if any at all—would receive the full benefit under the most-favored-nation clause of any reciprocal-trade agreement into which we would enter under the proposed negotiations with Chile. The same thing is true of every other copper-producing

country of the world that has a standing recognized under the most favored nation treaty clause.

This is not only true of copper but of other commodities. When the tariff on manganese, which was briefly mentioned today, was reduced in favor of Brazil, the reduction was not altogether in favor of Brazil. Under the most-favored-nations clause Russia came in with her quota.

The worst feature of it is that we get nothing reciprocally therefor except depression in the hearts and minds of the toilers who are engaged in the particular line of business.

Mr. President, protection must be afforded and maintained for the copper industry if that industry is to be prepared to meet the demands placed upon it for a normal national development, and certainly much more so if that industry is to be prepared to meet the demands placed upon it in case of war, and, Mr. President, it is not necessary for me to say in this the first meeting of the Senate following the passage of the bill which raised the embargo on arms, ammunition, and implements of war that the United States is listening to the rumblings of war on every hand.

With this threat dangerously present, it can seem scarcely possible that any authority in this country would, for a moment, consider tearing down the protection that is nurturing and sustaining an industry so indispensable to our national life, and yet, as recognized by those who have addressed themselves to the subject this morning here in the Senate of the United States, we are confronted with not only the possibility but, based upon past experiences, the probability of a disastrous effect to a mother industry, if you please, a paramount industry, which effect will flow from a reduction of the tariff or excise tax on copper.

I am happy to say that I voted against the reenactment of the reciprocal-trade law, as it was reenacted by a vote of this body. I will certainly repeat that vote if, in carrying out the law, the reciprocal-trade committee continues to reduce, as it has reduced, the tariff on every one of the raw materials of America, as a result of which the raw-material-producing States, of which the Western States are in the forefront in the case of metals, are in each instance made to suffer.

I have striven by my expressions made here and by published statements to arouse the attention of the copper-mining States to the dangers that lurk in these reciprocal-trade agreements. They threaten the economic life of America.

I am glad to see that the Senate is becoming alert to the situation. I hope that some expression made here this morning may cause the country to awaken to the threat that hangs, like the sword of Damocles, over a great industry. The very idea that a reciprocal-trade agreement was to be considered wherein protection for copper might be modified has already caused uncertainty of sufficient import to cause men and business to pause.

Why should further steps be taken?

Mr. McCARRAN subsequently said: Mr. President, during the last regular session of Congress I introduced a bill providing that before the reciprocal-trade agreements become effective they shall be passed upon and approved by the Senate of the United States. I ask that a copy of that bill be inserted in the RECORD immediately following my brief remarks of this morning.

There being no objection, the bill (S. 91) was ordered to be printed in the RECORD, as follows:

A bill (S. 91) to provide for Senate ratification of foreign trade agreements

Be it enacted, etc., That section 2 of the act entitled "An act to amend the Tariff Act of 1930," approved June 12, 1934, is amended by adding at the end thereof the following:

"(d) No foreign trade agreement hereafter entered into under section 1 of this act shall take effect until the Senate of the United States shall have advised and consented to its ratification, two-thirds of the Senators present concurring."

Mr. HOLT. Mr. President, I desire to make only a few remarks with reference to reciprocal-trade agreements. I shall be very brief.

I have always been opposed to the present reciprocal trade agreement policy. I am glad to welcome our new converts.

As the reciprocal-trade agreements operate today they affect adversely and in some instances destroy industries of America. The trade-agreement policy has injured industry in West Virginia. As time progresses I am sure we will have more and more converts to the cause of abolishing or changing the present reciprocal trade agreements law.

Before this argument started today I placed in the RECORD a letter from my friend, Mr. M. J. Gillooly, president of the American Flint Glass Workers Union, in which he showed how reciprocal-trade agreements injure the glass workers. I know the idleness such agreements have caused in West Virginia. I myself do not know their effect on copper, but I do know how they have affected and hurt workers in industries in West Virginia. I feel it is time that we should do something to stop the activities of the committee which is meeting secretly in the State Department, putting forth agreements not passed on by the Senate—agreements that wreck American industry and are the enemy to American agriculture. I feel the time has come for the Senate to reassert itself in behalf of American industry, American agriculture, in behalf of the American laboring man and American farmer. One of the best ways to do it is through the repeal of the Reciprocal Trade Agreements Act.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. ADAMS. Mr. President, the Senator is speaking of the undesirability of the Committee meeting in secrecy. I went down to an open meeting the other day. Fifty other Senators and Members of the other House attended the meeting of that Committee, all of whose authority came from the Congress of the United States. Fifty Senators and Members of the other House go down, hat in hand, asking this Committee, "Please do not do this to my State." So we have the spectacle of representatives of sovereign States in the open begging the creatures of Congress to be good to those whom the Congress represents.

Mr. HOLT. I agree with the Senator. I think that shows how Congress has abdicated its powers, and I believe that trade agreements should be submitted to the United States Senate, where the power lies for their ratification or rejection.

RELIEF OF THE STATE OF OHIO—RECOMMITTAL OF BILL

Mr. HATCH. Mr. President, for some time I have been interested in House bill 5118, which appears on our calendar as No. 1186. It is a bill for the relief of the State of Ohio. The bill contains many serious, grave, and important questions which may have far-reaching future consequences.

I have found that the bill was reported by the Senate Committee on the Judiciary without the committee holding any hearings. I have been of the opinion that the Senate committee should further consider the bill. This morning, in conference with the Senator from Nebraska [Mr. BURKE], who reported the bill from the committee, I was advised that he concurs with that thought and is willing to make a motion that the bill be recommitted to the Committee on the Judiciary.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. McNARY. Mr. President, I did not clearly hear the request made by the able Senator from New Mexico.

The PRESIDING OFFICER. The Chair understands that a motion is to be made to recommit Calendar No. 1186, House bill 5118, to the Committee on the Judiciary.

Mr. HATCH. The bill is on the calendar and was reported from the Committee on the Judiciary by the Senator from Nebraska [Mr. BURKE].

Mr. BURKE. Mr. President, I desire to make a brief statement in reference to the matter before submitting the motion.

At the very end of the session the House unanimously passed the bill to refund one-million-three-hundred-and-thirty-thousand-odd dollars to the State of Ohio, which was

the amount due to the State for the month of October 1938, but which amount was withheld by the Social Security Board. The bill then came to the Senate Judiciary Committee; and I believe on the day before the session adjourned, on the 4th of August, the bill was referred to a subcommittee. There appeared to be no objection to the measure, and the subcommittee recommended its passage, and the bill was reported from the full committee.

It seemed to me then, and it seems to me now, that the bill should be passed. The State of Ohio had an old-age pension system prior to the passage of the Federal legislation; and as soon as the Social Security Act was passed the State Legislature of Ohio enacted the necessary legislation. All went well until some time in 1938, when some administrative complication developed. The legislature had done its full duty. The law of Ohio is in proper form. The people in Ohio who are entitled to old-age pensions had done nothing wrong. They were entitled to the payments; but there were some difficulties in administration. Finally, on the last day of October 1938 the Social Security Board—I assume acting not only entirely within the law, but acting properly—said that no payment would be made for the month of October; and the \$1,338,000 was withheld and has never been paid. All but a minor part of the payment that should have been made to old people in Ohio, with the exception of a small amount for administrative expenses, has been withheld.

My opinion when the matter came to the Judiciary Committee was, and now is, that it is proper under the law for the Social Security Board to withhold payments to a State until certain administrative matters are corrected and to use that procedure as the necessary means of securing compliance from the State. However, to withhold permanently such a payment and take it out of the pockets of the elderly people who are entitled to it seems to me to be altogether wrong. All the bill seeks to do is to direct the Board, now that the administrative matters have long since been corrected and the payments fully made for November and all subsequent months, to make the payment for October to which the people of Ohio are entitled.

At the same time, since the point has been raised, and since the Social Security Administrator yesterday expressed grave concern about it, I have no objection to having the bill recommitted so as to enable the committee to hold hearings on it and let the whole matter be explored.

I now move that House bill 5118, Calendar No. 1186, be recommitted to the Committee on the Judiciary.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. BARKLEY. How much money is involved?

Mr. BURKE. The sum involved is \$1,338,160.92.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nebraska.

The motion was agreed to.

Mr. HATCH. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, the statement made by the Administrator of Social Security appearing in today's newspapers.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

McNUTT OPPOSES LETTING CONGRESS RULE ON SECURITY

A move in Congress to pay Ohio more than a million dollars of public-assistance money withheld a year ago for "lack of conformity" to Federal standards met opposition yesterday from Paul V. McNutt, Federal Security Administrator.

He said a bill offered by Representative JENKINS (Republican) of Ohio would make Congress "a court of appeal" from the decisions of the Social Security Board.

Instead, McNutt suggested a broadening of the Board's power to grant money to the States, so that States which gave assurances they were correcting administrative defects could continue to receive some Federal help.

The Board had withheld Ohio's \$1,338,160 grant for October 1938 on the ground that the State security set-up had been used for political purposes.

JENKINS assailed McNutt's position as "typical of bureaucratic arrogance."

DEATH OF REPRESENTATIVE BOLTON, OF OHIO

The PRESIDING OFFICER laid before the Senate a resolution from the House of Representatives (H. Res. 319), which was read as follows:

House Resolution 319

IN THE HOUSE OF REPRESENTATIVES.

Resolved, That the House has heard with profound sorrow of the death of Hon. CHESTER C. BOLTON, a Representative from the State of Ohio.

Resolved, That a committee of six Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. McNARY. Mr. President, on behalf of the junior Senator from Ohio [Mr. TAFT], who is necessarily absent from the Chamber, I offer the resolution which I send to the desk and ask for its immediate consideration.

The resolution (S. Res. 194) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Senate Resolution 194

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHESTER C. BOLTON, late a Representative from the State of Ohio.

Resolved, That a committee of two Senators be appointed by the President of the Senate to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDING OFFICER. Under the second resolving clause of the resolution the Chair appoints the senior Senator from Ohio [Mr. DONAHEY] and the junior Senator from Ohio [Mr. TAFT] the committee on the part of the Senate.

Mr. McNARY. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 1 o'clock and 12 minutes p. m.) the Senate adjourned, the adjournment, being under the order previously entered, until Thursday, November 2, 1939, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, OCTOBER 31, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O breath of God, we pray that these moments may be heightened by the solemn spirit of reverence. Oh, let the spectacle of the glorious cross be to us like a whisper from the face of the Almighty. We seek Thy guidance into truth; Thy help in counsel; and the blessing of Thy grace. Do Thou inspire us with unselfish and heroic purpose that we may be examples for our people, into whose service we have entered. We thank Thee for the heart-winning words of the Christ; grant us His shadow that prepares for toil; His faith and His vision of a new day. O Thou who hast reigned amid the tempests of the spirit, withhold not Thyself from us. Brood over us, give us more than human wisdom, and gird us with a strength greater than our own. We pray Thee to lift our minds to a high estate where reason is not suffocated nor patriotism smothered. Oh, come to our waking souls, that we may walk in the paths of dignity and honor and where no seeds of discord are allowed to flower, fruit, or foliage. In the dear Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech on neutrality by Monsignor O'Grady.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address of the Honorable Harry H. Woodring, Secretary of War, and an editorial from the Washington Times-Herald in connection with the matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by the Honorable MARTIN DIES over the Columbia Broadcasting System on Saturday evening of the past week.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

THE LATE EATON J. BOWERS

Mr. COLMER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, I arise this morning to make a sad announcement to the House of Representatives. On the night of October 27, last, the Honorable Eaton Jackson Bowers, a former Member of this distinguished body, died at his home in the city of New Orleans, La.

Mr. Bowers represented the Sixth Congressional District of Mississippi, which I now have the honor to represent. He took up his duties in this body on March 4, 1903, and served until March 3, 1911, through the Fifty-eighth, Fifty-ninth, Sixtieth, and Sixty-first Congresses, voluntarily retiring in 1911 to resume the practice of law at Gulfport, Miss.

Mr. Bowers, during the comparatively short time that he was a Member of this body, rose rapidly, both in the assignment to important positions and in the esteem of his colleagues. It can truthfully be said, without the necessity of drawing the charitable cloak of death about him, that few men who served in the Congress with him were possessed of a keener intellect or a more brilliant tongue. He possessed to a marked degree the rare combination of the two virtues of having the intellect to arrive at a correct conclusion and the mastery of the English language which enabled him to convince all who heard him of the correctness of that position.

At some future date, Mr. Speaker, I hope to have the opportunity to dwell more fully upon the virtues of this truly great statesman. But for the present I am sure that I voice the sentiment of all who knew him when I say that the country has sustained in his death the loss of an outstanding member of the American bar, a great intellect, and a statesman in the truest sense.

Mr. Speaker, a lifelong, warm, personal friend of Mr. Bowers, the Honorable George P. Money, editor of the Gulfport-Biloxi Daily Herald, and himself the distinguished son of the late and lamented Senator H. D. Money, who so ably represented Mississippi in the United States Senate two decades ago, had this to say editorially of his late distinguished friend, Mr. Bowers:

It is with distress and profound sense of loss that we have to announce for south Mississippi, the Gulf coast, and particularly Harrison County, and personally, the death of Hon. Eaton J. Bowers, one of the most dynamic speakers, foremost lawyers and practitioners, one of the most astute political scientists, one of the most influential Congressmen, and one of the best informed and scholarly gentlemen we have known.

His death in New Orleans Thursday midnight came at a ripe age, after he had been admitted to the bar before being of age; after his great success in law and statesmanship; after he had